

**OVERSIGHT INSPECTION EVALUATION  
CLEAN AIR ACT**

EPA Region VIII Air Program

**Oversight Inspection Evaluation  
For**

**Public Service Company of Colorado / Xcel Energy (Formerly  
Calpine) - Blue Spruce Energy Center LLC**

**I. General Information**

Evaluation Prepared By: Albion Carlson  
Environmental Scientist

Report Submitted To: Cynthia J. Reynolds  
Director, TEP

Date Prepared: December 27, 2012

Date of Inspection: July 19, 2011

Type of State Inspection: Full Compliance  
Evaluation

**II. Source Information**

Company Name: Public Service Company of Colorado / Xcel Energy (Formerly Calpine) - Blue Spruce Energy Center LLC

Plant Location: Smith Rd. at Powhaton Rd, I-70 Exit 292

Mailing Address: 1800 Larimer Street, Suite 1300, Denver, CO 80202

Source Contacts: Chad Campbell, Environmental Services

SIC Code & Description: 4911 Electric Services

AIRS Number: 08-001-01354

AIRS Size Classification: Major for Title V

Nonattainment Areas: Facility is located in a nonattainment area for ozone.

Air Programs: Title V

Applicable Regulations:

- 40 CFR Part 60 Subpart GG – Standards of Performance for Stationary Gas Turbines, as adopted by reference in Colorado Regulation No. 6, Part A.
- Colorado Regulation No. 6, Part B, Section II.C.3
- 40 CFR Part 60 Subpart A § 60.11(c), as adopted by reference in Colorado Regulation No. 6, Part B, Section I.A
- EPA Method 9 (40 CFR Part 60, Appendix A (July, 1992))
- Colorado Regulation No. 1, Section II.A.4
- 40 CFR Part 75, Appendix D, Section 2.3.2.4(e)
- Colorado Regulation No. 1, Section VI.B.4.c.(ii) and VI.B.2
- Colorado Regulation No. 1, Section III.A.1
- 40 CFR Part 60 Appendix B, Performance Specification 2, 4/4A and 6
- 40 CFR Part 60 Subpart A § 60.13(d), (e) and (h)
- 40 CFR Part 60 Subpart A § 60.7(b), (c) and (d)

Air Pollution Control Equipment & CEM:

Dry Low NO<sub>x</sub> (DLN) Combustion Systems and Water-Injection (Distillate Fuel Only). CEMs are used to monitor NO<sub>x</sub> and CO on Turbines.

Inspection/Enforcement History:

A warning letter was sent June 23, 2008 for failing to submit a timely Title V semi-annual monitoring and deviation report and excess emission report.

### III. Field Inspection Evaluation

State Inspector Observed: Dave Huber

Preinspection Preparation:

Objectives/scope: A full compliance evaluation for the Title V permit requirements was planned.

Source file review: Title V permit, semi-annual monitoring reports, compliance certifications, malfunction reports, and previous inspection reports were reviewed.

Regulation review: Applicable regulations were reviewed

Inspection materials: No inspection materials beyond safety gear and taking notes required.

Visible Emissions Evaluation: No visible emissions evaluations were performed.

Siting:

Completeness of form:

Readings:

Opening Interview:

Present credentials: Credentials were presented by State and EPA.

Communicate Objective: Mr. Huber informed Mr. Campbell the objective was to perform a full compliance evaluation with EPA oversight of the inspection. Each of the permit conditions was gone over and the most recent annual compliance certification was reviewed.

Discuss safety, confidentiality: Safety and confidentiality were discussed. Mr. Campbell

said hard hats, eye and ear protection, and steel toed shoes were adequate safety protection.

Organize logistics: Logistics for the inspection were determined.

Discuss current operating status of processes/control equip: Current operating status of units was discussed.

Ask for changes that may have occurred: Mr. Huber discussed the current operations and inquired about changes that may have occurred since the last inspection.

#### Records Review:

Compare data with reports: Mr. Campbell provided reports, records and logs required by the permit. Mr. Huber reviewed the data and crosschecked the reports submitted.

#### Facility Inspection:

Process information: Process information was confirmed during inspection.

Capture system:

Control equipment: Control equipment was inspected.

CEM: CEMS was inspected.

Emission points: All emissions points were observed.

#### Exit Interview:

Discuss inspection findings: Inspection findings were discussed relevant to every permit condition.

Answer questions: Mr. Huber responded to all compliance questions from Mr. Campbell in a thorough and professional manner.

Follow-up: No follow-up activities necessary.

#### Additional Comments & Recommendations:

## IV. Review of State Inspection Report

#### Report Timeliness:

Date of inspection: July 19, 2011  
Date received: September 22, 2011

Date written: September 6, 2011

Timeliness: Late. The Colorado PPA provides 60 days for the State to complete their inspection report. The report was completed and submitted to EPA 95 days after the inspection was performed.

#### Report Content:

Description of Process: The inspection report lacks a formal process description section; however, a process description is included under a heading titled "Permitted Activities".

Operating parameters: The operating parameters are captured in the inspection report.

Description of Emission Points: Good description of emission points.

Description of Air Pollution Controls & CEM: Air pollution controls descriptions are brief. CEMS description is accurate.

Applicable Requirements: Applicable requirements are addressed in the report.

Method for Determining Compliance: Methods for determining compliance are well documented.

Compliance Status by Emission Point: Compliance status for emission points is adequately conveyed.

State's Compliance Status: In Compliance

EPA's Compliance Determination: In Compliance

State's Enforcement Response:

Timeliness:

Appropriateness:

## V. AIRS Data Accuracy:

Minimum data elements: This inspection has been reported to AIRS by the State.

Completeness: The compliance status has not been reported to AIRS, otherwise the AIRS data is complete.

Accuracy: The compliance status has not been reported to AFS, otherwise the AIRS data is accurate.